



**ARKANSAS INSURANCE DEPARTMENT
LEGAL DIVISION**

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Bulletin 13-79

**GROUP DISABILITY INSURANCE AND
GOVERNMENT INSURANCE PLANS**

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Act 806, to be effective July 19, 1979, amends Ark. Stat. Ann. § 66-3709 to include government insurance plans in the term "other like insurance," which would include Medicare and Social Security Disability benefits. This entire Section shall not be construed to prohibit reduction of disability income benefits due to the receipt of Social Security Disability benefits by the insured in regard to long term group disability income policies. It is not the intent of the Department to require that coverage under group disability income policies produce benefits equal to the insured's salary at the time of disability. This may reduce the insured's incentive to return to work. The Act does state that in the case of medical insurance, that there may be no provision for the denial or reduction of benefits because of the existence of other like insurance except to the extent that the aggregate benefits with respect to the covered medical expenses incurred would exceed all covered medical expenses incurred.

W. H. L. Woodyard, III
INSURANCE COMMISSIONER